

HERITAGE BANKSHARES, INC.

	CPP Disbursement Date 09/25/2009	RSSD (Holding Company) 1076178	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$272	\$264	-2.9%		
Loans	\$183	\$216	18.1%		
Construction & development	\$18	\$18	0.4%		
Closed-end 1-4 family residential	\$37	\$34	-7.3%		
Home equity	\$22	\$21	-3.0%		
Credit card	\$0	\$0			
Other consumer	\$2	\$1	-38.3%		
Commercial & Industrial	\$30	\$30	0.4%		
Commercial real estate	\$65	\$96	47.5%		
Unused commitments	\$37	\$34	-8.0%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$45	\$17	-61.5%		
Asset-backed securities	\$0	\$0			
Other securities	\$5	\$0	-100.0%		
Cash & balances due	\$24	\$16	-33.2%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$238	\$230	-3.5%		
Deposits	\$229	\$224	-2.1%		
Total other borrowings	\$7	\$3	-50.6%		
FHLB advances	\$5	\$0	-100.0%		
Equity					
Equity capital at quarter end	\$34	\$34	1.2%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$9	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	12.1%	12.2%	--		
Tier 1 risk based capital ratio	16.1%	14.8%	--		
Total risk based capital ratio	17.0%	15.8%	--		
Return on equity ¹	5.9%	7.6%	--		
Return on assets ¹	0.7%	1.0%	--		
Net interest margin ¹	3.8%	4.3%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	177300.0%	0.0%	--		
Loss provision to net charge-offs (qtr)	107.7%	-93.9%	--		
Net charge-offs to average loans and leases ¹	0.1%	-0.1%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	0.0%	0.0%	0.1%	0.0%	--
Closed-end 1-4 family residential	0.0%	0.0%	0.0%	0.1%	--
Home equity	0.0%	0.0%	0.0%	0.1%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	0.0%	0.0%	--
Commercial & Industrial	0.0%	0.0%	0.0%	0.0%	--
Commercial real estate	0.0%	0.0%	0.0%	0.0%	--
Total loans	0.0%	0.0%	0.0%	0.0%	--